

Pike County, Indiana
2007 Pay 2008 Budget Order

An analysis of the data with the 2007 Pay 2008 Budget Order for Pike County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

Pike County has two cross-county units for which Pike is the minor county. Lower Patoka River Conservancy, which originates in Gibson County and Upper Patoka River Conservancy, which crosses in from Dubois County. In addition, Prides Creek Conservancy is a non-cross county conservancy district in Pike County.

A Conservancy District is a special taxing district created to provide flood control, irrigation, potable water or wastewater service within a specified area. The cost of providing these services are charged to landowners in the form of a special assessment based on the benefit provided. These special assessments are added to the property tax bill of each landowner and collected along with property taxes. Since the benefit derived may not relate to the assessed value of the property, these assessments are normally expressed in terms of dollars of assessment and not as a tax rate per \$100 of net assessed value. Therefore, the Conservancy District special assessment has not been included in this analysis.

Changes in Local Tax Levies

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net decrease in tax levy for Pay 2008 on a county-wide basis was \$307,040 or 1.70%. Following are the levy changes that were greater than \$1 million or a 10% change over the previous year levy. The largest total dollar decrease in levy was in the County unit (\$378,252).

Pike County

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$4,106,513	\$3,898,849	-\$207,664	-5.06%
Reassessment	91,564	160,632	69,068	75.43%
Health	89,757	66,180	-23,577	-26.27%

Pike County Welfare

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Welfare - Family and Children	\$903,589	\$702,924	-\$200,665	-22.21%

Total County levy decreased by \$378,252 or 6.29%.

Petersburg Civil City

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Fire	\$4,952	\$5,460	\$508	10.26%
Park	23,665	27,954	4,289	18.12%

Total Township levy increased \$15,883 or 3.04%.

No units in the County exceeded the working maximum levy. All units in the County levied up to or near their working maximum levy.

No units in the County exceeded the normal statutory growth rate for controlled fund levies.

Changes in Real Property Gross Assessed Values

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	14.72%
Mineral	1.47%
Industrial	-15.71%
Commercial	2.03%
Residential	3.32%
Exempt	-35.80%
Utility	18.82%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2007 Ratio</u>	<u>2008 Ratio</u>
Agriculture	28.13%	30.95%
Mineral	0.63%	0.61%
Industrial	3.10%	2.51%
Commercial	5.66%	5.53%
Residential	48.57%	48.12%
Exempt	6.84%	4.21%
Utility	7.07%	8.06%

As can be seen from the analysis, a shift from residential, industrial, exempt, mineral, and commercial property to agricultural and utility property occurred. This shift was approximately 3.81%.

Change in Net Tax Rates

Changes in net tax rate by district were as follows.

<u>District</u>	<u>Change in NAV</u>	<u>Change in Levy</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
CLAY TOWNSHIP	5.72%	-2.79%	-8.05%	-6.63%	-5.03%	-17.33%
JEFFERSON TOWNSHIP	13.04%	3.76%	-8.21%	-6.86%	-5.22%	-17.67%
LOCKHART TOWNSHIP	9.11%	0.29%	-8.08%	-6.70%	-5.09%	-17.44%
LOGAN TOWNSHIP	10.16%	1.30%	-8.04%	-6.63%	-5.02%	-17.37%
MADISON TOWNSHIP	12.02%	2.91%	-8.13%	-6.75%	-5.13%	-17.48%
MARION TOWNSHIP	13.34%	4.01%	-8.23%	-6.89%	-5.25%	-17.71%
MONROE TOWNSHIP	14.11%	4.78%	-8.18%	-6.82%	-5.19%	-17.61%
SPURGEON TOWN	5.38%	-3.31%	-8.25%	-7.10%	-5.36%	-18.41%
PATOKA TOWNSHIP	5.18%	-2.78%	-7.57%	-6.20%	-4.54%	-17.51%
WINSLOW TOWN	3.07%	-2.85%	-5.74%	-4.56%	-2.71%	-17.80%
WASHINGTON TOWNSHIP	3.92%	-4.50%	-8.11%	-6.69%	-5.09%	-17.35%
PETERSBURG CITY	4.74%	-2.00%	-6.44%	-5.24%	-3.43%	-17.86%
Average	6.66%	-1.75%	-7.66%	-6.33%	-4.65%	-17.65%

Downward pressure on tax rates came from increases in Assessed Value due to trending, decreases in tax levies, and the increased Homestead Credit rate.

The estimated reduction in net homestead tax bills for Pike County is 46.03%.

The change in levy percentage by district (-1.75%) differs from the change in levy percentage by fund (-1.70%) because of conservancy districts. Conservancy districts are included, by logodaba, in the levy percentage by fund, but not by district.

Assessment Status

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

Property Class	Percent of Parcels with Identified Assessed Valuation Change					
	<u>Decrease</u>	<u>No Change</u>	<u>0 – 10% Increase</u>	<u>10 – 30% Increase</u>	<u>30 – 100% Increase</u>	<u>More Than Doubled</u>
Commercial	14.7%	11.8%	62.6%	6.6%	2.9%	1.3%
Industrial	14.8%	18.4%	55.3%	6.4%	4.3%	0.7%
Residential	3.8%	29.7%	52.6%	11.6%	1.7%	0.6%
Overall	3.5%	27.2%	32.8%	25.1%	10.8%	0.5%